



RALPH BECKER  
MAYOR

# SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

## CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff



Date Received:

Date sent to Council: MARCH 31, 2009

**TO:** Salt Lake City Council  
Carlton Christensen, Chair

**DATE:** March 27, 2009

**FROM:** David Everitt, Chief of Staff

**SUBJECT:** Donation of Unclaimed Bicycles Held by the Police Department

**STAFF:** Matt Lyon, Assistant to the Chief of Staff

**DOCUMENT TYPE:** Resolution

**RECOMMENDATION:** The Administration recommends the Salt Lake City Council approve the donation of unclaimed bicycles held by the Police Department to the Salt Lake City Bike Collective.

**BUDGET IMPACT:** Based on past revenue generated from the auction of unclaimed bicycles, the Administration estimates a revenue loss of \$2,000 - \$4,000.

**BACKGROUND/DISCUSSION:** Typically, the police department auctions roughly 100 – 200 unclaimed bicycles per year. The Mayor’s Bicycle Advisory Committee (MBAC), in conjunction with the Salt Lake City Bike Collective, has requested that these bikes be donated to the Bike Collective rather than sold at auction.

The Salt Lake City Bike Collective is a 501(c)(3), community based organization with the mission “to promote cycling as an effective and sustainable form of transportation and as a cornerstone of a cleaner, healthier, and safer society.” The group provides refurbished bicycles and educational programs to the community, focusing on children and lower income households.

Increasing bicycle use is a key to addressing our future air quality, transportation, and environmental concerns. Bicycling is also a sustainable and healthy mode of transportation. As the attached study outlines, due to the low cost to the City and benefits of encouraging bicycling as an alternative means of transportation, the Administration recommends the City pursue this action.

RESOLUTION NO. \_\_\_\_\_ OF 2009

Adopting the conclusions of a study performed under Utah Code Section 10-8-2(3), and making findings regarding value and public benefit, with respect to a donation agreement between the City and the Salt Lake City Bicycle Collective relating to unclaimed bicycles.

WHEREAS, the Salt Lake City Police Department (the "Police Department") often takes possession of bicycles as evidence or as property abandoned in public areas; and

WHEREAS, based on past experience, the City usually realizes in the range of \$2000 to \$4000 a year from the auction of unclaimed bicycles pursuant to Salt Lake City Code Chapter 2.10, Article IV – Disposition of Custodial and Unclaimed Property – Rationale; and

WHEREAS, pursuant to the requirements of Utah Code Section 10-8-2(3), a study (the "Study") has been performed setting forth an analysis and demonstrating the purpose for the City entering into the Donation Agreement; and

WHEREAS, the City Council has, following the giving of not less than fourteen (14) days public notice, conducted a public hearing relating to the foregoing, in satisfaction of the requirements of Utah Code Section 10-8-2(3); and

WHEREAS, the Council has reviewed the Study, and has fully considered the analysis and conclusions set forth therein, and all comments made during the public hearing;

THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah, as follows:

1. The City Council hereby adopts the conclusions set forth in the Study, and hereby finds and determines that, for all the reasons set forth in the Study, (a) the net value, both tangible and intangible, to be received by the City will constitute adequate consideration, or equivalent value, for the benefit being provided by the Donation Agreement, and (b) the Donation Agreement will provide for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City.

Passed by the City Council of Salt Lake City, Utah, this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

SALT LAKE CITY COUNCIL

By: \_\_\_\_\_  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
DEPUTY CITY RECORDER

APPROVED AS TO FORM:

  
3/31/09  
\_\_\_\_\_  
CITY ATTORNEY

# Memo



To: David Everitt, Chief of Staff  
From: Matt Lyon, Assistant Chief of Staff  
Date: October 30, 2008  
Re: Donating Police Evidence Bicycles

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## **Summary**

The Mayor's Bicycle Advisory Committee (MBAC), in conjunction with the Salt Lake City Bike Collective has requested that repossessed bikes be donated to the collective rather than sold at auction. Due to the low cost to the City and benefits of encouraging bicycling as an alternative means of transportation, the staff recommends Salt Lake City donate repossessed bicycles to the Salt Lake City Bike Collective.

## **Background**

Each year, the Salt Lake City Police Department receives roughly 100 - 200 bicycles. These bikes are either abandoned in public areas or received as evidence. By law, the Department must hold the bicycles for at least 90 days after they are no longer considered evidence. This period allows the owner to be notified and pick up the equipment, if desired. After 90 days, unclaimed bikes are auctioned and/or scrapped.

The Salt Lake City Bike Collective is a volunteer, community based organization with the mission "to promote cycling as an effective and sustainable form of transportation and as a cornerstone of a cleaner, healthier, and safer society." The group provides refurbished bicycles and educational programs to the community, focusing on children and lower income households.

The Mayor's Bicycle Advisory Committee (MBAC), in conjunction with the Salt Lake City Bike Collective, has requested that repossessed bikes be donated to the collective rather than sold at auction.

## **Costs/Potential Savings**

The City generates roughly \$2,000 - \$4,000 per year through the auction of bicycles. The City would experience a loss of this amount in general fund revenue if the bicycles were donated rather than auctioned. The City will not experience any cost savings from the partnership because the bikes must be held for a 90 day period regardless if they are auctioned or donated.

## **Recommendation**

Salt Lake City should donate repossessed bicycles to the Bike Collective. The Bike Collective provides bicycles to anyone who requests them, along with providing bike safety lessons and equipment. In addition, the Collective repairs the bicycles and ensures they are safe to ride. Together this creates a better package than the City donating bikes to individual requests. In addition, the Bike Collective effectively promotes biking as an alternative means of transit. In the long run, this program could help increase biking as an alternative transportation, improve air quality in the valley, and help achieve some of the mayor's objectives.

## **Steps to implement**

- 1) Conduct a Doug Short analysis.
- 2) Work with Bike Collective to draft an agreeable memo of understanding. Considerations should include ensuring bicycles are provided to any organization that requests bikes from the City at no cost. Salt Lake City should also ensure it is listed as a sponsor of the program and in the Bike Collective's Annual Report.
- 3) Draft letter to Chief of Police instructing repossessed bikes to be donated to the Bike Collective.

## **Additional Questions to Consider**

- 1) The City should consider a limit to the number of bikes donated to the bike collective each year. Although revenue is not currently a major issue, as biking becomes more common and there is potential for an increased number of bikes being collected by the police department. This may eventual increase the City's revenue loss to where it may not want to continue the MOU.
- 2) The Bike Collective and/or City should monitor the number of bikes that are donated to the Collective, but end up in back in evidence because they were abandoned or left elsewhere.

## MEMORANDUM

TO: David Everitt  
Chief of Staff

FROM: Kay Christensen

DATE: December 9, 2008

SUBJECT: Donation of Police Evidence Bicycles: Study to Comply with Utah Code Annotated Section 10-8-2

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It is recommended that Salt Lake City donate abandoned bicycles and bicycles received in evidence by the Police Department to the Salt Lake City Bike Collective. To assure that the donation of the bicycles by the City would be in compliance with UCA 10-8-2, the following study has been performed. UCA 10-8-2 states the purposes for which a municipal body may appropriate funds and the factors that must be considered in determining the propriety of such an appropriation. This study will consider the following factors:

- (1) The specific benefits to be received by the City;
- (2) The City's purpose in making the appropriation, including an analysis of how the safety, health, prosperity, moral well-being, peace, order, comfort or convenience of the residents of Salt Lake City will be enhanced; and
- (3) Whether the appropriation is "necessary and appropriate" to accomplish the City's goals.

Benefits and Costs to Salt Lake City: The Mayor's Bicycle Advisory Committee (MBAC), in conjunction with the Salt Lake City Bike Collective has requested that repossessed bikes be donated to the Collective rather than sold at auction. Each year, the Salt Lake City Police Department receives roughly 100 - 200 bicycles. These bikes are either abandoned in public areas or received as evidence. By law, the Department must hold the bicycles for at least 90 days after they are no longer considered evidence. This period

allows the owner to be notified and pick up the equipment, if desired. After 90 days, unclaimed bikes are auctioned and/or scrapped.

The City generates approximately \$2,000 - \$4,000 per year through the auction of bicycles. The City would experience a loss of this amount in general fund revenue if the bicycles were donated rather than auctioned. The City will not experience any cost savings from the partnership because the bikes must be held for a 90 day period regardless if they are auctioned or donated.

The Salt Lake City Bike Collective is a volunteer, community based organization with the mission “to promote cycling as an effective and sustainable form of transportation and as a cornerstone of a cleaner, healthier, and safer society.” The group provides refurbished bicycles and educational programs to the community, focusing on children and lower income households at no cost.

Meeting Salt Lake City’s Purposes and Enhancing the Quality of Life for Residents: The Bike Collective provides bicycles to anyone who requests them at no cost, along with providing bike safety lessons and equipment. In addition, the Collective repairs the bicycles and ensures they are safe to ride. In addition, the Bike Collective effectively promotes biking as an alternative means of transit. Biking also promotes physical fitness, protects air quality in the valley and is a popular form of recreation.

Accomplishing Salt Lake City’s Goals: Salt Lake City’s Strategic Plan states that the mission of Salt Lake City Corporation is “to make Salt Lake City the best place to live, work, play, visit and to do business.” The City has adopted a performance measurement tool called the Balanced Scorecard to assist the City in articulating strategic goals, measures and targets for all departments and divisions within the City. The goals include protecting and enhancing the environment, promoting community problem solving, promoting alternative means of transportation and protecting and enhancing the environment. These goals would be positively impacted by the donation of bicycles to the Bike Collective.

**CONCLUSION:** As stated, this study is conducted to meet the requirements of Utah Code Section 10-8-2 which states the purposes for which a municipal body may appropriate public funds. The potential bicycle donation is not a direct appropriation of funds, but rather, a diversion of

potential revenue. The City would lose the \$2,000 to \$4,000 in potential revenue, but would gain a partner in the City's efforts to encourage alternative forms of transportation, along with the environmental and personal fitness benefits for City residents that would follow as a result. Therefore, the City receives adequate consideration for the potential annual loss of \$2,000 to \$4,000 as a result of the donation of bicycles to the Salt Lake City Bike Collective.

**To meet the law's requirements, this study has been available in the City Recorder's Office, Room 415, City & County Building, 451 South State Street since \_\_\_\_\_, 2007. The City Council will hold a public hearing on whether to adopt a resolution approving the proposed study. The public hearing will be held \_\_\_\_\_.**



## **DONATION AGREEMENT**

THIS DONATION AGREEMENT (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2009, by and between SALT LAKE CITY CORPORATION, a Utah municipal corporation (“City”), and the SALT LAKE CITY BICYCLE COLLECTIVE (the “Bicycle Collective”), a Utah non-profit corporation, with its principal offices at 2312 S. West Temple, Salt Lake City, Utah, 84115.

### **RECITALS**

- A. The mission of the Bicycle Collective is “to promote cycling as an effective and sustainable form of transportation and as a cornerstone of a cleaner, healthier, and safer society.”
- B. The Bicycle Collective provides refurbished bicycles and educational programs to the community, focusing on children and lower income households.
- C. The Internal Revenue Service has issued a 501(c)(3) determination letter to the Bicycle Collective.
- D. Increased use of bicycles would promote a variety of the City’s goals, including those related to sustainability.
- E. The Salt Lake City Police Department (the “Police Department”) often takes possession of bicycles, as evidence or as property abandoned in public areas. Based on experience, there is no typical yearly number, but the number could be in the range of 100 to 200 bicycles per year.
- F. Pursuant to Salt Lake City Code Chapter 2.10, Article IV – Disposition of Custodial and Unclaimed Property – Rationale (“the Unclaimed Property Ordinance”), the City is authorized in specified circumstances and pursuant to specified procedures to either sell or devote to public interest use Unclaimed Property in its possession, including unclaimed Custodial Property.
- G. The Bicycle Collective has requested that the City donate to it, rather than selling at public auction, unclaimed bicycles in the possession of the Police Department. The Mayor’s Bicycle Advisory Committee supports the Bicycle Collective’s request. The Mayor and the Police Chief believe that such a donation is in the City’s interest.
- H. A public benefit study of such donations has been prepared by the City a public hearing held has been on \_\_\_\_\_, and City Council approval has been provided by Resolution No. \_\_\_ of 2009 pursuant to UCA § 10-8-2.
- I. Pursuant to SLCC Section 2.10.150, the Mayor has adopted an executive order with respect to devoting to public interest use unclaimed bicycles held by the Police Department.

### **AGREEMENT**

In consideration of the foregoing recitals and the following mutual promises and consideration, the parties agree as follows:

1. Following compliance with the public notice, time, and other requirements of the Unclaimed Property Ordinance as they may be applicable, the Police Department may donate to the Bicycle Collective unclaimed bicycles in the possession of the Police Department up to a maximum of 200 per calendar year upon the request of the Bicycle Collective. The Police Department is not obligated to donate any bicycles to the Bicycle Collective. The Bicycle Collective may reject any bicycles tendered by the City.

2. All bicycles are donated in "as is" condition and the Bicycle Collective specifically acknowledges that the City makes no warranties, express or implied.

3. The Bicycle Collective shall pick up all donated bicycles on the first business day of each calendar quarter or at such other times as the parties may agree in writing. The Bicycle Collective shall pick up the donated bicycles, and transfer of title shall occur upon pick up, at [location] or such other location as the parties may mutually agree in writing.

4. The Bicycle Collective shall dispose of the donated bicycles in a manner consistent with its mission and its 501(c)(3) status.

5. This Donation Agreement shall be effective as of \_\_\_\_\_, 2009 for a one year term and shall be automatically renewed for successive one year terms unless either party objects to renewal on thirty days advance written notice. Either party may terminate this Donation Agreement at any time on ninety (90) days written notice.

6. Any notice pursuant to this Donation Agreement shall be given by first class mail and electronic mail addressed as follows:

If to the City

Sergeant Lee Dobrowolski  
Public Safety Building  
315 E 200 S  
Salt Lake City, UT 84111  
(801) 799-3808

If to the Bicycle Collective

Jonathan Morrison  
2312 S West Temple  
Salt Lake City, UT 84115-2623  
(801) 328-2453

7. In the Event that the Bicycle Collective loses its 501(c)(3) status, this Donation Agreement shall immediately terminate.

8. Following the donation of a bicycle, the Bicycle Collective will indemnify and hold the City harmless from any claims by the Bicycle Collective and/or third parties with respect to the bicycle and/or the use or operation thereof.

9. Representation regarding ethical standards for City officers and employees and former City officers and employees:

**The Bicycle Collective represents that it has not: (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly**

**breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.**

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first written above.

SALT LAKE CITY CORPORATION

By:

\_\_\_\_\_

Title:

\_\_\_\_\_

ATTEST AND COUNTERSIGN:

APPROVED AT TO FORM:

\_\_\_\_\_  
CITY RECORDER

\_\_\_\_\_  
City Attorney

/\_\_\_\_\_  
Date

SALT LAKE BICYCLE COLLECTIVE

By

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Name

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Title

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Date

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STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

On the \_\_\_\_ day of \_\_\_\_\_, 2008, personally appeared before me \_\_\_\_\_, who, being by me duly sworn, did say that he is the \_\_\_\_\_ of SALT LAKE BICYCLE COLLECTIVE, a nonprofit corporation, and acknowledged to me that he executed the same for and on behalf of said corporation.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

\_\_\_\_\_